



## Senate

General Assembly

**File No. 118**

*January Session, 2001*

Substitute Senate Bill No. 682

*Senate, April 3, 2001*

The Committee on Insurance and Real Estate reported through SEN. BOZEK of the 6th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

### **AN ACT TO STUDY STANDARDS FOR CONTRACTS BETWEEN HEALTH INSURERS AND PHYSICIANS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 (a) There is established a task force to study (1) the payment of
- 2 health insurance claims by health insurers, including, but not limited
- 3 to, managed care organizations, as defined in section 38a-478 of the
- 4 general statutes; and (2) the provisions in contracts between physicians
- 5 and such health insurers. The task force shall consider (A) whether
- 6 managed care organizations inappropriately reduce the level of service
- 7 coded on health insurance claims or inappropriately combine services
- 8 coded separately on such claims for the purpose of reducing
- 9 payments; and (B) whether the general statutes should be amended to
- 10 specify mandatory and prohibited provisions in contracts between
- 11 physicians and such health insurers.
- 12 (b) The task force shall consist of the following members:

- 13       (1) Two appointed by the speaker of the House of Representatives;
- 14       (2) Two appointed by the president pro tempore of the Senate;
- 15       (3) One appointed by the majority leader of the House of  
16 Representatives;
- 17       (4) One appointed by the majority leader of the Senate;
- 18       (5) One appointed by the minority leader of the House of  
19 Representatives;
- 20       (6) One appointed by the minority leader of the Senate;
- 21       (7) The Insurance Commissioner, or the commissioner's designee;  
22 and
- 23       (8) Two persons appointed by the Governor, which shall include  
24 one representative of health care providers in this state, and one  
25 representative of health insurers in this state.
- 26       (c) Any member of the task force appointed under subdivision (1),  
27 (2), (3), (4), (5) or (6) of subsection (b) of this section may be a member  
28 of the General Assembly.
- 29       (d) All appointments to the task force shall be made no later than  
30 thirty days after the effective date of this section. Any vacancy shall be  
31 filled by the appointing authority.
- 32       (e) The speaker of the House of Representatives and the president  
33 pro tempore of the Senate shall select the chairpersons of the task  
34 force, from among the members of the task force. Such chairpersons  
35 shall schedule the first meeting of the task force, which shall be held no  
36 later than sixty days after the effective date of this section.
- 37       (f) The administrative staff of the joint standing committee of the  
38 General Assembly having cognizance of matters relating to insurance

39 shall serve as administrative staff of the task force.

40 (g) Not later than January 1, 2002, the task force shall submit a  
41 report on its findings and recommendations to the joint standing  
42 committee of the General Assembly having cognizance of matters  
43 relating to insurance, in accordance with the provisions of section 11-  
44 4a of the general statutes. The task force shall terminate on the date  
45 that it submits such report or January 1, 2002, whichever is earlier.

**INS**        **JOINT FAVORABLE SUBST.**

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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**OFA Fiscal Note**

**State Impact:** Minimal Cost

**Affected Agencies:** Legislative Management and the Department of Insurance

**Municipal Impact:** None

**Explanation****State Impact:**

To the extent that the members of the General Assembly are appointed to this task force, the Joint Committee on Legislative Management may incur a minimal cost. A total cost of less than \$2,000 may result from mileage reimbursement to legislators in traveling to and from task force meetings. Legislators are currently reimbursed 30 cents per mile. Considering that legislators may be traveling to the Capitol on other legislative business, any additional cost due to an increased number of reimbursed trips could be handled within the anticipated budgetary resources of the department.

In addition, as a result of the increased responsibilities to the legislative administrative staff assigned to the task force and the Department of Insurance representative, a reallocation of workload may result.

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**OLR Bill Analysis**

sSB 682

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HEALTH INSURERS AND PHYSICIANS.***

The Office of Legislative Research does not analyze special acts.